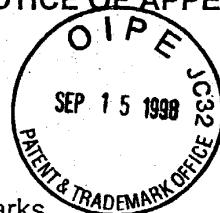


UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Alleman) Examiner: Matar
Serial No.: 08/798,115)
Filed: 02/12/97)
Title: Interactive Telephone System)
For Optimizing Service Economy)

NOTICE OF APPEAL



Honorable Commissioner of Patents and Trademarks
Washington, D.C. 20231

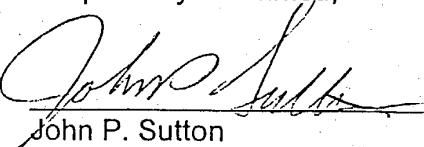
Please take notice that applicant hereby appeals, under the provisions of 37 C.F.R. Section 1.191(a), the Final Rejection dated December 30, 1997, to the Board of Patent Appeals and Interferences. The fee of \$155 for a Small Entity is included in the attached check for \$885 that is enclosed.

REQUEST FOR EXTENSION OF TIME

Also included in the attached check is \$55 for the first month extension of time; \$200 for the second month extension of time; and \$475 for the third month extension of time, all based upon Small Entity status. Applicant hereby requests an extension of time of three months beyond the three months allowed by the Final Rejection.

In the event there are any additional fees, please charge my Deposit Account 024470.

Respectfully submitted,

By: 
John P. Sutton
Registration Number 22,430

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BOARD OF APPEALS AND INTERFERENCES

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GROUP 2700

Applicant: ALLEMAN

Examiner: MATAR

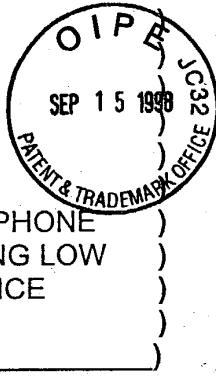
Serial No: 08/798, 115

Group Art Unit: 2601

Date Filed: 02/12/97

Title: INTERACTIVE TELEPHONE
SYSTEM FOR MAKING LOW
COST LONG DISTANCE
TELEPHONE CALLS

APPELLANT'S BRIEF ON
APPEAL



1. REAL PARTY IN INTEREST.

The real party in interest is applicant's assignee, Paragon Services International, Inc. a Delaware company having a place of business at 510 First Avenue North, Minneapolis, Minnesota 55403.

2. RELATED APPEAL.

This appeal is directly related to the recently decided appeal decided by this Board in Appeal No. 96-2121, Application S.N. 08/252,984, decided August 13, 1998. The decision in that case will have a direct bearing on the issues presented here in this continuation application.

3. APPEALED CLAIMS.

Claims 1-20 in the application have been canceled. The claims on appeal are 21-31, which closely resemble claims 18-27 in the parent case, the rejections of all of which were reversed.

4. STATUS OF AMENDMENTS.

No amendments were filed after the Final rejection. However, two Declarations of Wyatt and Curtright were filed June 4, 1998. Appellant has received no word on whether they were entered for purposes of appeal. The notice of appeal was filed June 26, 1998. By telephone in early August,

Examiner Matar said that he had no evidence that the appeal had been filed, and that he would not respond to any appeal brief unless proof of the filing of the appeal is submitted to him.

5. SUMMARY OF THE INVENTION.

The invention relates to international callback, by which a subscriber outside the United States calls a switching service in the United States on a direct inward dial number. The subscriber hangs up without incurring a toll charge. The service looks up the telephone number of the subscriber assigned the DID number and calls the subscriber back on a first outbound circuit. The subscriber then enters the number of the called party, and the service calls that party on a second outbound circuit. When the called party is reached, the service bridges the two circuits.

6. ISSUES.

- A. Is claim 21 indefinite?
- B. Are claims 24, 25, 27, 28 and 30 enabling?
- C. Are all claims obvious to a person of ordinary skill under Section 103(a) under an array of combinations of prior art and non-prior art?

7. GROUPING OF CLAIMS.

Claims 21-25 are claims to the system, and stand or fall together. Claims 26-31 are method claims, and stand or fall together.

8. ARGUMENT.

Applicant's task on this appeal is substantially simplified by reason of the Board's Opinion dated August 13, 1998, in the parent case, Serial Number 08/252,984. In that Opinion, all of the rejections of the Examiner were reversed. While there are slight differences between the rejections here and the rejections in the parent case, the thrust of the reversal in the parent case governs this case. Applicant will deal with those slight differences.

A. SECTION 112, SECOND PARAGRAPH.

The Examiner found claim 21 indefinite, because the claim states that the system comprising a service center has a direct inward dial number assigned to each subscriber. The Examiner assumes that the system and the service center are somehow different pieces of equipment, and inquires which of the two has a sensor, outbound circuits and a bridging device. In truth, the equipment is in the service center, and there is only one place where outbound calls are made, not two. The system includes access by subscribers, who obviously are not at the service center, and access to called parties, who also are not at the service center.

The words found objectionable in this case resemble those found objectionable in the parent case, although they are different. The Board dismissed the quibbling objections, saying, "the Examiner's view is misplaced" (page 4). Only a reasonable degree of precision and particularity is required (page 5). Breadth should not be confused with indefiniteness (page 5).

B. SECTION 112, FIRST PARAGRAPH.

The parent case did not have a rejection on enablement, though the continuing application did. The identical specification and drawings appeared in both cases. If the identical specification is enabling in the parent case, how could it not be in the continuing case? This rejection is clearly just an afterthought, and it cannot be sustained when it was not raised in the parent case. This rejection is further evidence of the bias of the Examiner against this particular inventor. Personal bias has no place in the examination process.

The rejection of claims 24, 25, 27, 28 and 30, because the Examiner does not know what happens when a subscriber dials a wrong number, should be withdrawn. Obviously, if the subscriber dials a wrong number, even if it is a valid

DID, he will not get a call back from the system. There is no need to refile the patent application to state this self-evident proposition.

C. KAHN AND CURTIN UNDER SECTION 103.

The first rejection of the claims was based upon Kahn and Billinger, just as in the parent case. Obviously, after two searches in both the parent and the continuing applications, the Examiner believed that Kahn, Billinger and Srinivasan were the closest prior art references. For the final rejection, however, a new reference was selected, Curtin. Curtin is clearly not closer prior art than Billinger or Srinivasan, because it has nothing about identifying account holders. All that Curtin discloses is direct inward dial numbering, which, as the Examiner correctly notes at page 3 of the Final Rejection is an old feature for enabling a calling party to dial inside a company without using an operator. The Examiner also correctly notes that "Applicant admits that the DID is old" at page 3. Why, then, cite Curtin, which says nothing about international callback?

Apparently, the Examiner feared a reversal of his rejection based upon the closest prior art in the parent case, and wanted to use a less pertinent reference so that he would have another arrow in his rejection quiver should another appeal result. It was adversarial combat, not protecting the public interest in issuing patents having citations to the closest prior art, which is what the examination process should be about.

At the bottom of page 3 of the Final Rejection in this case, the Examiner states that both Billinger and Curtin show that the prior art had various identification techniques for the calling party. The invention is not about identifying the calling party for security reasons. Rather, the invention relates to making two low-cost calls from a low-cost telephone area, instead of a single call from a high-cost telephone area. Neither Kahn nor Curtin discloses this concept.

At pages 5 and 6, the Examiner correctly points out that Kahn identifies the caller with a security code number. At page 7, he states that Curtin shows that the DID number can be used to "identify the calling party by using the DID information." What is lacking is a suggestion that the DID identifies the *called party*, not the calling party, in the first call of the present invention. The system of the present claims uses DID to determine what number to call in the first call. Nothing in either Kahn or Curtin uses the identification number to determine who the system should call. In Kahn, the calling party dials in the number he wants to call, just as he does in Curtin. Neither reference contains the concept of call back based upon the DID number.

It is true that Kahn, in passing, states that a calling party may, if he wishes, dial in his own number, but that is dialing in the number, not automatically calling back the person having the code number. Automatic callback is the feature of the present invention, and is nowhere shown in the prior art. The Examiner's conclusion at page 8 that the combination of Kahn and Curtin gives "call from John Smith requesting callback service" (repeated at page 10) is not sound. It is the "requesting callback service" that is lacking in the prior art. Kahn merely says that a caller can, after manually dialing in his security number, then dial in his own telephone number, which is *not* automatic callback.

The Board correctly summarized the present invention at page 11 of its Opinion: "it is the direct inward dial number received from the exchange that is used for looking up a database of preassigned direct inward dial numbers, for finding out the telephone number of the caller." That concept is nowhere suggested in Kahn and Curtin, just as it was not shown by Kahn, Billinger and Srinivasan.

D. KAHN, CURTIN AND EXHIBIT C.

At pages 10 and 11, the Examiner adds "Exhibit C" to Kahn and Curtin in a

103 rejection, apparently acknowledging that Kahn and Curtin, standing alone, fail to have the automatic callback feature. Exhibit C, two references published in 1995, when applicant's invention was used in a billion dollar industry, does disclose the callback feature. It is hindsight reconstruction to rely on 1995 references, which are admittedly not prior art according to the Interview Summary Record signed by both the Examiner and his S.P.E., to import the concept that "John Smith requesting callback service" (page 10) into Kahn and Curtin. Exhibit C, not being prior art, simply cannot be combined with Kahn and Curtin. There is nothing in the prior art to teach John Smith to request callback service. That idea came from applicant, not the prior art.

The Examiner states that Exhibit C is evidence of the skill level in the prior art in 1992 (page 11). If the International Callback Book, for example, accurately depicted the prior art in 1992, as the Examiner contends, then why were not Kahn or Curtin mentioned in the book? Obviously the historian who wrote the book does not agree with the Examiner that Kahn and Curtin are part of the history of international callback. Accordingly, rather than supporting the combination of Kahn and Curtin, Exhibit C actually proves that those two references are *not* part of the history of international callback, if the author who omitted any reference to them is to be believed.

It is frivolous to reject claims under Section 103(a) on references that are admittedly not prior art. The words "prior art" are in Section 103(a), and 1995 is not prior to the effective filing date of 1992. The Examiner should be admonished to never reject claims under 35 U.S.C. § 103(a) on art that is not "prior." The Board in *Ex parte Erlich* did not purport to rewrite Section 103(a) to delete the word "prior." Neither did the Federal Circuit in *Gould v. Quigg* (page 11). Only Congress can rewrite the statute, and the provision about "prior art"

has been in the statute for nearly half a century. The Examiner clearly erred in rejecting the claims on 1995 art.

E. IDT IN VIEW OF CURTIN AND/OR RISKIN.

At pages 11 to 14 of the Final Rejection, the Examiner again relies upon the IDT machine. Unlike the parent case, in the present case Applicant very much disputes the finding by the Examiner that the IDT machine was more than a year before the filing date of the application. The Board in the parent case held (page 6) that "appellant chose not to reply to this body of evidence and has not disputed that the IDT machine was in existence and operational in the United States more than one year prior to the appellant's effective filing date of April 24, 1992." Here, appellant points out that the "plethora of evidence" (Board decision, page 6) is not evidence at all. The popular magazines show no structure, no method, no dates of use, nothing. There is absolutely no description of the "IDT machine" that the Examiner relies upon.

If IDT does have a machine, and if it existed before appellant's machine, IDT has recourse by way of interference. IDT may copy the claims of this application once it issues as a patent.

But the Examiner is not the advocate for IDT, and if IDT has proof of priority, this application should be allowed and IDT will have the opportunity for its advocates to prove the priority issue.

It is improper to say, simply because of an article in the non-scientific popular press to the effect that IDT was two and a half years old, that a machine was in existence. The fact of the structure of a machine, and an operating system, is capable of proof, and there has been an utter failure of proof as to the structure or method of IDT. It is pure speculation on the part of the Examiner as to what IDT did and when it did it. The mere fact that "appellant filed no reply and has not disputed the examiner's view" (page 6 of the Opinion in the parent

case) is no reason to believe the speculation is the truth. The burden of proof is on the examiner to set forth a *prima facie* case, and the Examiner failed to do so.

The Board, in its August 13 Opinion, held exactly that the Examiner failed to establish a *prima facie* case based on IDT (page 7). Thus, though it said that appellant did not contest the speculation that a two and a half year old company must have had a machine, and the machine must have had the structure of applicant's machine, the *holding* of the case was that the Examiner failed to carry his burden of establishing a *prima facie* case.

The lynchpin of the rejection 5 at pages 11-14 is IDT. Having reversed the IDT rejection in the parent case, it must fail in this case. Curtin and Riskin and Exhibit C cannot carry the day for the failures of proof in the IDT machine.

F. IDT IN VIEW OF CURTIN, RISKIN AND EXHIBIT C.

The failure of the basic "reference," the newspaper and magazine accounts of a company, not a machine or a method by IDT, means that stringing a lot of other baggage to the failed basic argument must also fail. Exhibit C is admittedly not prior art, so it cannot supply the missing ingredients in rejection 5 above. This is not a comparison of the invention to the prior art; it is hindsight reconstruction, using non-structural accounts in the popular press and 1995 references that admittedly are not prior art to build the claimed invention using the present application as a template. The rejection must be reversed.

Declarations have been filed by Dr. Alleman, Mr. Casner, Mr. Curtright, and Mr. Wyatt, addressing the merits of the application. In view of the reversal across the board of essentially the same rejections in the parent case, it seems unnecessary to argue each of the declarations, which speak for themselves. The failure to belabor the many declarations in this brief should not be taken as a failure to contest the Examiner's position. Instead, the evidence is in the record, and it must be given credence, whether or not argued in the brief.

At page 25 of the Final Rejection, the Examiner backs off from the failed rejection of Kahn and Billinger, which was rejected by the Board on August 13, 1998. Instead, the Examiner now touts 1995 "references," previously called "Exhibit B," and now called "Exhibit C." Whatever the designation, it is *not* prior art, as the Examiner admits. A 1995 article or book is simply not "prior art" under Section 103(a). It is an abuse of discretion to reject claims on 1995 references. Writing a 30-page Final Rejection does not make 1995 art into "prior art" required under 35 U.S.C. § 103(a). The gratuitous addition that it would be obvious to "initiate the call back to the calling party/subscriber" (page 26) is totally unsupported by the record. International callback is applicant's invention, and it is not obvious to combine Kahn and Curtin, neither of which describes automatic callback, in a rejection of the claims.

The shrill arguments at pages 16-30 of the Final Rejection are merely that, arguments. There is no *evidence* that the invention is obvious, and it is error to disregard the evidence provided in the sworn statements of applicant's witnesses. Whatever the Examiner thinks of applicants *arguments*, the *evidence* supplied in the many declarations cannot be disregarded.

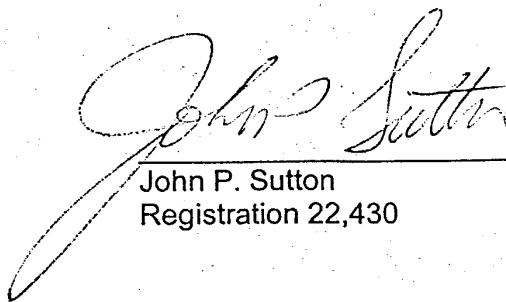
G. THE PRESENT APPEAL IS PURSUED BECAUSE THE CASE HAS BEEN MADE SPECIAL.

Applicant does not seek two patents for the same invention. He merely wants the grant of the patent as soon as possible. If it is easier to simply move the allowed claims from the present case into this Special case, then issue the patent promptly, applicant will be pleased to do so immediately. If the Examiner will fax to undersigned the issue fee form, it will be immediately signed and the issue fee paid immediately. Applicant has been seeking his patent for six years and has numerous infringers to face. Any accommodation in promptly issuing the patent will be greatly appreciated.

CONCLUSION

The Final Rejection must be reversed. The reversal of all of the nearly identical rejections in the parent case must be reversed here for the same reasons as expressed in the parent case. It is time to move on to the grant of patent protection for this important invention after six years of unsound rejections.

Respectfully submitted,



John P. Sutton
Registration 22,430

Dated: August 26, 1998

9. APPENDIX

The following are the pending claims:

21. A telephone system for providing economical use of differences in long distance tariff rates for international telephone service to subscribers comprising a service center having a direct inward dial number assigned to each subscriber and an assigned call-back number recorded for each subscriber, a sensor for receiving the direct inward dial signal sent by the subscriber to the service center, a first outbound circuit from the service center over which the center dials the callback number of the subscriber when the subscriber hangs up on the direct inward dial line, a second outbound circuit from the service center over which the center dials the number entered by the subscriber on the first circuit, and an automatic bridging device for bridging the subscriber on the first circuit to the called party on the second circuit, whereby the subscriber is telephonically linked to the called party without human intervention at the service center.

22. The system according to claim 21 wherein the service center indicates an invalid call attempt if the direct inward dial call does not terminate within a predetermined period of time.

23. The system according to claim 22 wherein the system presents an audio message to the subscriber in response to the invalid call attempt.

24. The system according to claim 21 wherein the system indicates an invalid call attempt to the subscriber if the subscriber dials a number other than his direct inward dial number.

25. The system according to claim 24 wherein the system presents an audio message to the subscriber in response to an invalid call attempt.

26. A method for economically using differences in long distance tariff rates for international telephone service comprising (a) a subscriber to a telephone service dials a service center on a direct inward dial number assigned to the subscriber by the service, (b) the subscriber hangs up after a predetermined interval, (c) the service automatically calls back the subscriber at an assigned call-back number on a first outbound circuit, (d) the subscriber enters the number of the called number on the first circuit, (e) the service automatically calls the called party on a second outbound circuit, and (f) the service automatically bridges the two circuits, telephonically connecting the subscriber to the called party.

27. A method as in claim 26 wherein the incoming direct inward dial signal from the subscriber is terminated if the subscriber dials a number other than his assigned direct inward dial number.

28. A method as in claim 26 wherein a prerecorded message is played to the subscriber if the direct inward dial number entered by the subscriber is other than his assigned direct inward dial number.

29. A method as in claim 26 wherein the subscriber is informed that it is an invalid call attempt if the subscriber does not terminate the direct inward dial call within a predetermined period of time.

30. A method as in claim 27 wherein the subscriber is also given a prerecorded message if the call is not terminated.

31. In a method for economically using differences in tariff rates for international calls by originating calls from a location having relatively lower tariff rates to a location having relatively higher rates, in which a subscriber calls a service located in a jurisdiction having relatively low cost outbound calls, the service calls the subscriber back on an outbound circuit, the subscriber enters the number of the called party, the service calls the called party on a second outbound circuit, and the service bridges the two circuits to telephonically connect the subscriber and the called party, the improvement comprising using direct inward dialing for the initial call from the subscriber to the service, and the subscriber hangs up before there is a charge for the call from the subscriber to the service.



ATTORNEYS AT LAW



August 26, 1998

The Honorable Commissioner of Patents and
Trademarks
United States Department of Commerce
Patent and Trademark Office
Washington, D. C. 20231

Re: ALLMAN, Serial No. 08/798, 115
Interactive Telephone System

Dear Commissioner:

Please find enclosed Appellant's Brief on Appeal for above referenced applicant. Also enclosed is a check in the amount of \$155.00 for filing of the Brief/Appeal.

If there are any additional charges please charge to my deposit account number 024470.

Thank you.

Very truly yours,

John P. Sutton

CERTIFICATE OF MAILING (37 CFR § 1.8(A))

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Dated: 6/26/98 By: Christine Day Pescod



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